

H.R. 2825 – DHS Authorization Act, as amended (McCaul, R-TX)

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FLOOR SCHEDULE:

Expected to be considered July 20 under suspension of the rules, which requires a 2/3 majority for passage. Under the standing rules of the House, motions to suspend the rules are in order only on Monday through Wednesday. However, the rule providing for consideration of H.R. 218 provided for suspension authority for June 20 for H.R. 2825.

TOPLINE SUMMARY:

<u>H.R. 2825</u> would largely build on numerous smaller pieces of legislation that the house has acted on in recent years to more efficiently structure and provide for the operations of the Department of Homeland Security, as well as to improve congressional oversight. The bill would also provide a single point of authorization for the broad array of DHS components, which remains an unfilled recommendation of the 9/11 Commission. It would authorize or reauthorize numerous DHS grant programs, as well as the Coast Guard, the Secret Service, U.S. Immigration and Customs Enforcement, U.S. Citizenship and Immigration Services, and FEMA.

COST:

A Congressional Budget Office (CBO) estimate is not available.

Rule 28(a)(1) of the Rules of the Republican Conference prohibit measures from being scheduled for consideration under suspension of the rules without an accompanying cost estimate. Rule 28(b) provides that the cost estimate requirement may be waived by a majority of the Elected Leadership.

Several divisions of the bill did receive CBO estimates in their committee-reported forms, which are made available in the detailed analysis section below

CONSERVATIVE VIEWS:

Conservatives will be pleased that the bill takes steps to unify oversight and authorization of the various DHS components and begins the process of shifting away from the appropriations-only driven management of these programs.

Some conservatives may be concerned that the suspension print of the bill has been available for less than 72 hours. However, the majority of the bill is composed of language similar to previously-passed and committee-reported bills, as noted below in the detailed analysis section.

• **Expand the Size and Scope of the Federal Government?** The bill would generally reorganize several components of the DHS. Several new offices, boards, committees, and positions would be

created by the bill, while many others would be consolidated or eliminated. The bill also expands the size and authorized uses of several grant programs, as well as creates new grant programs.

- Encroach into State or Local Authority? Some conservatives may be concerned that many of the grant programs authorized by the bill fund activities that would be more appropriately managed at the state or local level. The bill would also define "homeland security enterprise" to include federal, state, and local activities related to homeland security.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

Division A - Homeland Security

Division A contains text similar to the committee-reported version of H.R. 2825. The committee report is available here. As is noted below, a large number of provisions included in Division A have been included in similar or identical form in other House-passed legislation in the 115th and 114th Congresses.

Title I - Department of Homeland Security Headquarters

Title I includes a number of provisions to organize DHS headquarters. These provisions are similar to those included in H.R. 3572 in the 114th Congress, which passed the House by voice vote in October 2015. The RSC Legislative Bulletin for H.R. 3572 is available here.

The bill would define Homeland Security Enterprise as any governmental or nongovernmental entity involved in homeland security and identifies components that constitute the DHS Headquarters, including: (1) the Offices of the Secretary and of the Deputy Secretary, (2) the Executive Secretariat; (3) the Management Directorate, including the Office of the Chief Financial Officer; (4) the Office of Strategy, Policy, and Plans; (5) the Office of General Counsel; (6) the Office of the Chief Privacy Officer; (7) the Office of Civil Rights and Civil Liberties; (8) the Office of Operations Coordination; (9) the Office of Intelligence and Analysis; (10) the Office of Legislative Affairs; and (11) the Office of Public Affairs; (12) the Office of the Inspector General; (13) the Office of Citizenship and Immigration Ombudsman; and (14) the office of Partnership and Engagement. The bill further establishes the role and functions of the secretary to include creating mechanisms to ensure that components of the Department comply with headquarters policies. The bill abolishes the following offices: (1) the position of Director of Shared Services; and (2) the Office of Counternarcotics Enforcement.

The bill would authorize the Chief Privacy Officer to ensure departmental privacy requirements are carried out and Freedom of Information Act requests are processed effectively. Section 1104 of the bill would expand the role of the Chief Privacy Officer to: (1) develop guidance to assist components of the Department in developing privacy policies and practices; (2) establish a mechanism to ensure such components are in compliance with Federal requirements; and (3) work with the Chief Information Officer of the Department to identify methods for managing and overseeing the Department's records and procedures.

Title I of the bill would also codify the functions of the Chief Procurement Officer; the Chief Financial Officer, the Chief Information Officer, and the Chief Human Capital Officer, and the Chief Security Officer of the Department.

The bill makes several changes to consolidate functions within the department, including by consolidating several components into the Office of Strategy, Policy, and Plans, including: the Office of International Affairs; the Office of Cyber, Infrastructure, and Resilience Policy; the Office of Strategy, Planning, Analysis, and Risk;

the Office of Threat Prevention and Security Policy; the Office of Border, Immigration, and Trade Policy. Similarly, the bill would create the Office of External Affairs, which would be composed of: the Office of Legislative Affairs; the Office of Public Affairs; and the Office of Partnership and Engagement, which would itself be a consolidation of the various state and local engagements components of the department. The current staff and functions of the consolidated offices would be transferred into the respective new office.

Title I also amends the requirements for the DHS Quadrennial Homeland Security Review (QHSR) to require collaboration with the Homeland Security Advisory Committee and the use a risk-based assessment when evaluating homeland threats. The secretary would also be directed to report on the extent to which the findings and recommendations of the QHSR were incorporated into acquisition strategies and expenditure plans. The bill would further require the secretary to annually submit a Future Years Homeland Security Program, which you detail the procurement needs and plans of the department for the next five fiscal years. The Department of Defense submits a similar plan each year. The secretary would also be directed to submit a plan within 270 days of enactment on options for achieving efficiencies in the field operations of the department, including by consolidating activities and facilities. Finally, the secretary would be directed to submit reports and management plans for the department's research activities, especially focusing on chemical, biological, radiological, and nuclear focused research.

Title I would include a number of changes to DHS personnel policy intended to increase the effectiveness and morale of the DHS workforce. This would include directing the secretary to take actions to better inform employees about career development opportunities, creating an employee engagement steering committee to develop employee engagement action plans for each component, and establish employee award programs. These provisions are similar to those included in H.R. 2283, which passed the House by voice vote. The RSC Legislative Bulletin for H.R. 2283 is available here.

Title I also includes direction to the secretary to take every effort to provide timely guidance to department employees on the implementation of any executive order. Further, the bill would direct the secretary to continue to prioritize the provision of assistance to state and local election officials to secure election systems against threats.

Title II - Acquisition

Title II would establish the Under Secretary for Management of the Department of Homeland Security as the department's chief acquisitions officer, and establish authorities for other department officials to interact in acquisitions management. The undersecretary would be responsible for advising the secretary on acquisition activities, leading the DHS Acquisition Review Board, establishing acquisition policies, and ensuring appropriate oversight of acquisition activities, grants and financial assistance. The bill would allow the undersecretary to delegate these responsibilities to the relevant component acquisition executive for non-major acquisitions (life-cycle costs less than \$300 million), and in some cases, for major acquisitions (life-cycle costs exceeding \$300 million, but less than \$1 billion). The bill also provides for interactions between the undersecretary for management and the undersecretary for science and technology in areas where the latter has pre-existing acquisition oversight authorities. The bill details acquisition oversight authorities for the chief financial officer and chief information officer. Similar language was included in H.R. 1252, which passed the House by a vote of 407-1. The RSC Legislative Bulletin for H.R. 1252 is available here.

The bill would direct the Secretary of Homeland Security to establish an acquisition review board to review major acquisition programs. The board would be chaired by the DHS Undersecretary for Management and would include at least two component heads or their designees. The board would meet at the secretary's discretion and anytime a major acquisition program (\$300 million or more in life cycle costs) requires approval or is in breach of its approved requirements. The bill would require an annual report to Congress from the undersecretary for management on the activities and meetings of the board. The board would be charged with providing oversight of proposed acquisitions to ensure they are meeting their requirements

and have executable plans. The bill would require that, if a program is approved to proceed to the planning phase without a department-approved baseline, the undersecretary for management would create and approve such a baseline. The Comptroller General would be directed to review the effectiveness of the board and to report to Congress. Similar language was included in H.R. 1282, which passed the House by a voice vote. The RSC Bulletin for H.R. 1282 is available <a href="https://example.com/here-example.com/he

Title II also creates requirements for the undersecretary to maintain appropriate documentation on acquisitions. Similar language was included in H.R. 347, which passed the House by voice vote. The RSC Bulletin for H.R. 347 is available here.

The undersecretary would be allowed to take actions to evaluate and pursue innovative acquisition management programs. This language is similar to H.R. 1365, which passed the House by a vote of 424-0. The RSC bulletin for H.R. 1365 is available here.

In order to help control cost growth in DHS procurement programs, H.R. 2825 would require program managers at DHS to notify agency heads and the secretary to notify Congress if there is a program breach. A breach is defined as a failure of a program to meet any cost, schedule, or performance threshold specified in the acquisition program baseline. A remedial action plan would be required. Similar language was included in H.R. 1294, which passed the House by vote of 408-0. The RSC bulletin for H.R. 1294 is available here.

Finally, the bill would require the Department of Homeland Security (DHS) to produce a multiyear procurement strategy and to include updates to such strategy in each Future Years Homeland Security Program report. Similar provisions were included as a part of H.R. 1249, which passed the House by a vote of 424-0. The RSC bulletin for H.R. 1249 is available here.

Title III - Intelligence and Information Sharing

The secretary would be directed to promulgate guidance for department components on the use and distribution of homeland security and terrorism information, as well as to ensure that the staff of the Chief Intelligence Officer is provided with a staff with sufficient expertise and experience.

The Undersecretary for Intelligence and Analysis would be directed to produce an annual, classified threat assessment covering threats against the homeland, empirical data on terrorist and terrorist tactics, and detailed information on individuals denied entry to the U.S. based on threat information.

The secretary would be directed to develop an integrated data management framework for existing databases and systems. Information the secretary deems to be unsafe to share via such data systems for security reasons would be exempt from inclusion in the framework.

Title III would also establish a Department of Homeland Security (DHS) Insider Threat Program to: (1) provide training and education for personnel to identify, prevent, and respond to insider threat risks to the department's critical assets; (2) provide investigative support regarding potential insider threats that may pose a risk to critical assets; and (3) conduct risk mitigation activities for insider threats. The Secretary of Homeland Security would additionally be authorized to create a steering committee chaired by the Under Secretary for Intelligence and Analysis to discuss cases and issues related to insider threats, and would be required to submit a report to Congress on how the department has implemented mandated strategies to prevent insider threats. Similar language was contained in H.R. 666, which passed the House by voice vote. The RSC bulletin on H.R. 666 is available here.

The bill would require the Undersecretary for Intelligence and Analysis to, within 120 days, develop a threat assessment regarding the use of virtual currencies to carry out acts in furtherance of terrorism.

Title III would require the secretary to designate the sensitivity level of national security positions within the department in accordance with federal guidelines by implementing uniform designation tools. The bill would require the DHS Inspector General to conduct regular audits regarding the department's compliance with such federal standards. The secretary would be mandated to develop a plan to achieve greater uniformity within the department with respect to the adjudication of eligibility of an individual's access to classified information, and would be required to submit such plan to Congress. The bill would stipulate that the secretary ensure all information received for the adjudication of eligibility of an individual's access to classified information is consistent with specified federal guidelines and is protected against misappropriation. Similar language was included in H.R. 697, which passed the House by voice vote. The RSC bulletin on H.R. 697 is available here.

The bill would make a number of changes to the Fusion Center program. It would create a Department of Homeland Security (DHS) Fusion Center Partnership Initiative in order to facilitate information sharing among federal, state, and local authorities. Further, it would direct the secretary to evaluate how to better provide access and coordination with state and local law enforcement, including through providing security clearances. Similar language was included in H.R. 642 and H.R. 678, which passed the House by voice vote. The RSC bulletin for these bills is available here.

Title IV Maritime Security

The bill would require the secretary to update the <u>plan to enhance international supply chain security</u> annually for the next three years.

The bill would amend Coast Guard responsibilities for port security to require facilities to be inspected at least once a year, but to allow the guard to determine if additional inspections are required based on risk. Further, the bill would formally give the guard responsibility for cyber security at U.S. ports. The secretary would also be directed to amend the Maritime Operations Coordination Plan to reduce duplicative efforts by the Coast Guard and the Customs and Border Patrol, and would require a report on potential cost savings from better coordination and colocation of guard and CBP activities.

Title V - Transportation Security Administration

Title V would establish the office of the Administrator of the Transportation Security Administration (TSA) as a five-year term position at level IV of the executive schedule and make technical corrections to TSA's authorities. Similar provisions were included in H.R. 1309, which passed the House by voice vote. The RSC bulletin for H.R. 1309 is available here.

The bill would require the TSA Administrator to develop and implement a preventative maintenance validation process for security-related technology deployed to airports. Further, the administrator would be directed to report to Congress annually about technological acquisitions completed in the last two years.

The administrator would be directed to conduct an agency-wide efficiency review and to develop a plan to reduce the number of senior executive service positions at TSA by 20%. The administrator would also be required to review active-shooter training at airports and ensure that personnel are being appropriately trained.

The bill would direct the administrator to implement several pilot programs for passenger and security screening, including automated baggage screening and biometric passenger screening. The bill would also require at least 300 explosive detection canine teams to be dedicated to passenger screening at airports. The administrator would also be directed to standardize, to the maximum extent practicable, screening procedures at airports, and would be authorized to provide screening services on a compensated basis for

screening outside of airports for commercial charter flights. The bill would also make changes to better facilitate TSA coordination with private screening contractors at airports that choose to use such screeners.

The bill would prohibit DHS from incorporating a higher passenger security fee than what is authorized in the department's annual budget justification. According to the committee report "For a number of years, both Republican and Democratic Administrations have proposed increases in the passenger security fee as an offset in the annual budget proposal, despite no such fee increase having been authorized by Congress. The committee believes this practice should not continue absent an authorization of an increase in the passenger security fee by Congress."

Title VI - Homeland Security Grant Programs

The bill would reauthorize numerous existing DHS grant programs that provide resources for state and local entities to carry out law enforcement and homeland security functions. These include:

- Urban Security Initiative \$800 million annually FY 2018-2022
- State Homeland Security Grant Program \$600 million annually FY 2018-2022
- Transit Security Grant Program \$200 million annually FY 2018-2022 (the current appropriated level for this program is only \$100 million)
- Port Security Grant Program \$200 million annually FY 2018-2022
- A new Major Metropolitan Area Counterterorism Training and Exercise Grant Program \$39 million annually for FY 2018-2022
 - This program would provide grants to state and local first response entities to train and prepare for responding to and preventing terrorist acts, including by backfilling personnel engaged in training.
- A new program Operation Stonegarden \$110 million annually FY 2018-2022
 - This program would provide funding for state and local law enforcement entities in states with a land or maritime international border for the purchase or maintenance of equipment, or for personnel costs related to border law enforcement activities.
- A new Non-Profit Security Grant Program \$50 million annually FY2018-2022
 - This program would provide grants to fund security costs at non-profit entities determined to be at risk of a terrorist attack by the administrator.
 - Some conservatives may be concerned that this grant program would provide federal funding to individual private entities for idiosyncratic, isolated security costs.

The bill would also extend from 24 to 36 months the performance period for funds provided by Urban Area Security Initiative, the State Homeland Security Grant Program, Port Security Grant Program, Transit Security Grant Program, and Tribal Security Grant Program.

Division B - ICE

The bill would codify the <u>U.S Immigration and Customs Enforcement</u> (ICE), legislatively establish the ICE Director position and other existing ICE offices, and codify the current responsibilities of ICE. Individuals currently holding positions in ICE would be assumed to continue to hold those positions without any new appointments or confirmations.

Division C - USCIS

The bill would codify the <u>U.S Citizenship and Immigration Services</u> (USCIS), legislatively establish the USCIS Director position and other existing USCIS offices, and codify the current responsibilities of USCIS. Individuals currently holding positions in USCIS would be assumed to continue to hold those positions without any new appointments or confirmations.

Division D - U.S. Secret Service

The bill would eliminate the current-law \$200,000 cap on the amount the Secret Service may spend to make necessary security improvements to the secondary residences of a protectee, including the president and vice president.

The bill would expand the actions punishable under 18 USC 1752 to include any individual who, knowingly and with the intent to enter a federally restricted building or ground, causes any object to enter the restricted area when, or so that, such object, in fact, impedes or disrupts the orderly conduct of government business.

The bill would take several actions aimed at improving the Secret Services ability to fulfil its protective mission, including by increasing training hours for agents and constructing improved training facilities. The Director of the Secret Service would also be directed to evaluate how to better assess threats, whether additional weaponry should be provided to agents, and how to better employ technology.

Division E - U.S. Coast Guard

The bill includes the text of H.R. 2518, which would authorize the U.S. Coast Guard for FY 2018 and 2019. The committee report for H.R. 2518 is available here. The CBO cost estimate for H.R. 2518 is available here.

Coast Guard Authorization (in thousands)

	FY 2017 (Current)	FY 2018	FY 2019
Operations and Maintenance	\$6,986,815	\$7,263,698	\$7,452,554
Acquisition and Construction	\$1,945,000	\$1,945,000	\$1,945,000
Coast Guard Reserve	\$134,237	\$134,237	\$134,237
Environmental Compliance and Restoration	\$16,701	\$16,701	\$16,701
Research, Development, Testing and Evaluation	\$19,890	\$37,263	\$38,232
Total	\$9,102,643	\$9,396,900	\$9,586,725

The bill includes \$165 million funding for the procurement of three additional fast-response cutters each year FY 2018-2019 in addition to the 58 cutters in the baseline, as well as \$3 million for ice breaker trials, \$330 million for shoreside infrastructure, and \$7 million to fund development of improvements for the MH-65 rescue helicopter.

The bill would increase the authorized end-strength levels for the Coast Guard to 44,500 from 43,000.

The Commandant of the Coast Guard would be granted multiyear procurement and block-buy authority for major acquisition programs, subject to the availability of appropriations.

The bill would direct the Coast Guard to establish a land-based unmanned aircraft (drone) command. However, existing prohibitions on Coast Guard procurement of drones would remain in place and such procurement would be required to be through a DHS program.

The bill would direct the Secretary of Homeland Security to establish a land-based backup GPS system for position, navigation, and timing.

The bill would recodify portions of title 46 as a new subchapter relating to port safety. It would also make minor changes to registration programs to allow personnel who document commercial vessels to also document recreational vessels and would extend recreational vessel endorsements to five-year terms. Further, the bill would require the Coast Guard to promulgate regulations requiring the installation of cut-off switch on vessels of less than 26 feet in length.

Division F - FEMA Reauthorization

Division F contains text similar to H.R. 2548, the FEMA Reauthorization Act of 2017. The committee report for H.R. 2548 is available here. The CBO cost estimate for H.R. 2548 is available here.

FEMA Authorization (in thousands)

	FY 2018	FY 2019	FY 2020
FEMA administration and Operations	\$1,049,000	\$1,065,784	\$1,082,837
National Domestic Preparedness Consortium	\$101,000	\$102,606	\$104,248
Center for Domestic Preparedness	\$63,939	\$64,962	\$66,001
Total	\$1,213,939	\$1,233,352	\$1,253,086

The bill would authorize the establishment of a Rural Domestic Preparedness Consortium of non-profit entities and universities to provide training for emergency response providers in rural communities. \$5 million would be authorized to be used for the consortium from within the Continuing Training Grants program. The bill would also establish the Center for Faith-Based and Neighborhood Partnerships to liaise with and support faith-based organizations responding to disasters.

COMMITTEE ACTION:

H.R. 2825 was introduced June 8, 2017 and was reported by the Committee on Homeland Security on June 28.

The suspension print also includes text similar to H.R. 2518 and H.R. 2548, which were reported by the Transportation and Infrastructure Committee on June 26 and June 23, respectively.

ADMINISTRATION POSITION:

No Statement of Administration Policy is available at this time.

CONSTITUTIONAL AUTHORITY:

According to the sponsor: "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18--To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof." No specific enumerating clause was included.

NOTE: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.